

SENATE BILL 508

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2001 Regular Session
1r2547
CF HB 35

By: **Senators McCabe, Conway, Harris, and Mooney**
Introduced and read first time: February 2, 2001
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Education - Maryland Public School Supplemental Construction and**
3 **Capital Improvement Fund**

4 FOR the purpose of establishing the Maryland Public School Supplemental
5 Construction and Capital Improvement Fund for a certain purpose; establishing
6 a funding mechanism for the Fund; establishing procedures for holding moneys
7 in the Fund; requiring the Interagency Committee on School Construction to
8 administer the Fund and to use the Fund for certain purposes; specifying that
9 the proceeds in the Fund are intended to be used as local matching funds for a
10 certain purpose; specifying how proceeds that are held in the Fund for more
11 than a certain time are to be used; requiring the State Lottery Agency to
12 distribute a certain part of lottery proceeds to the Fund; specifying that public
13 school systems are entitled to a certain share of proceeds in the Fund; requiring
14 that public school systems use the money that is distributed to them only for
15 certain purposes that are approved by the Interagency Committee; specifying
16 that the money distributed under this Act is intended to provide additional
17 revenue for public school systems for a certain purpose and may not supplant
18 any other appropriation to public school systems; requiring the Interagency
19 Committee to submit a certain annual report to certain committees of the
20 General Assembly; defining certain terms; and generally relating to the
21 Maryland Public School Supplemental Construction and Capital Improvement
22 Fund.

23 BY adding to
24 Article - Education
25 Section 5-309
26 Annotated Code of Maryland
27 (1999 Replacement Volume and 2000 Supplement)

28 BY repealing and reenacting, with amendments,
29 Article - State Government
30 Section 9-120(b)
31 Annotated Code of Maryland
32 (1999 Replacement Volume and 2000 Supplement)

1 BY adding to
2 Article - State Government
3 Section 9-120.2
4 Annotated Code of Maryland
5 (1999 Replacement Volume and 2000 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
7 MARYLAND, That the Laws of Maryland read as follows:

8 **Article - Education**

9 5-309.

10 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
11 INDICATED.

12 (2) "FUND" MEANS THE MARYLAND PUBLIC SCHOOL SUPPLEMENTAL
13 CONSTRUCTION AND CAPITAL IMPROVEMENT FUND.

14 (3) "INTERAGENCY COMMITTEE" MEANS THE INTERAGENCY
15 COMMITTEE ON SCHOOL CONSTRUCTION ESTABLISHED UNDER § 5-302 OF THIS
16 TITLE.

17 (B) IT IS THE POLICY OF THE STATE THAT PUBLIC SCHOOL CONSTRUCTION
18 PROJECTS BE ADEQUATELY FUNDED.

19 (C) THERE IS A MARYLAND PUBLIC SCHOOL SUPPLEMENTAL CONSTRUCTION
20 AND CAPITAL IMPROVEMENT FUND ESTABLISHED TO HELP CARRY OUT THIS POLICY.

21 (D) THE PURPOSE OF THE FUND IS TO SUPPLEMENT COUNTY FUNDING FOR
22 PUBLIC SCHOOL CONSTRUCTION PROJECTS AND PUBLIC SCHOOL CAPITAL
23 IMPROVEMENTS.

24 (E) THE FUND CONSISTS OF THE PROCEEDS DERIVED FROM THE STATE
25 LOTTERY FUND AS REQUIRED UNDER § 9-120 OF THE STATE GOVERNMENT ARTICLE.

26 (F) THE FUND IS:

27 (1) A SPECIAL, NONLAPSING FUND; AND

28 (2) NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND
29 PROCUREMENT ARTICLE.

30 (G) (1) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY.

31 (2) THE STATE COMPTROLLER SHALL:

32 (I) ACCOUNT FOR THE FUND; AND

1 (II) DEPOSIT INTO THE FUND FOR USE BY THE INTERAGENCY
2 COMMITTEE THE PROCEEDS DERIVED FROM THE STATE LOTTERY FUND.

3 (H) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
4 INTERAGENCY COMMITTEE SHALL ADMINISTER THE FUND.

5 (2) PROCEEDS IN THE FUND ARE INTENDED TO BE USED AS LOCAL
6 MATCHING FUNDS REQUIRED FOR STATE FUNDED PUBLIC SCHOOL CONSTRUCTION
7 PROJECTS AND PUBLIC SCHOOL CAPITAL IMPROVEMENTS.

8 (3) THE INTERAGENCY COMMITTEE SHALL USE THE FUND SOLELY TO
9 SUPPLEMENT FUNDING FOR PUBLIC SCHOOL CONSTRUCTION PROJECTS AND
10 PUBLIC SCHOOL CAPITAL IMPROVEMENTS.

11 (I) (1) PROCEEDS DERIVED FROM THE STATE LOTTERY FUND SHALL BE
12 HELD BY THE FUND UNTIL REQUIRED FOR A STATE APPROVED PUBLIC SCHOOL
13 CONSTRUCTION PROJECT OR CAPITAL IMPROVEMENT.

14 (2) PROCEEDS HELD BY THE FUND FOR MORE THAN 3 YEARS:

15 (I) MAY REMAIN ELIGIBLE TO BE RECEIVED BY AN INDIVIDUAL
16 PUBLIC SCHOOL SYSTEM IF A REQUEST IN WRITING IS MADE TO AND APPROVED BY
17 THE INTERAGENCY COMMITTEE ON SCHOOL CONSTRUCTION; OR

18 (II) SHALL BE REDISTRIBUTED BY THE INTERAGENCY COMMITTEE
19 ON SCHOOL CONSTRUCTION.

20

Article - State Government

21 9-120.

22 (b) (1) Promptly after the 1st day of each month, the Comptroller shall pay:

23 (i) into the Maryland Stadium Facilities Fund the money that
24 remains in the State Lottery Fund from the proceeds of the sports lotteries conducted
25 for the benefit of the Maryland Stadium Authority, after the distribution under
26 subsection (a) of this section; [and]

27 (II) SUBJECT TO § 9-102.2 OF THIS SUBTITLE, TO THE MARYLAND
28 PUBLIC SCHOOL SUPPLEMENTAL CONSTRUCTION AND CAPITAL IMPROVEMENT
29 FUND CREATED UNDER § 5-202.1 OF THE EDUCATION ARTICLE, AN AGGREGATE
30 AMOUNT TOTALING ONE-THIRD OF THE MONEY THAT REMAINS IN THE STATE
31 LOTTERY FUND FROM THE PROCEEDS OF ALL OTHER LOTTERIES AFTER THE
32 DISTRIBUTION UNDER SUBSECTION (A) OF THIS SECTION; AND

33 [(ii)] (III) into the General Fund of the State the money that
34 remains in the State Lottery Fund from the proceeds of all other lotteries after the
35 [distribution under subsection (a) of this section] DISTRIBUTIONS UNDER
36 SUBSECTION (A) OF THIS SECTION AND ITEM (II) OF THIS PARAGRAPH.

1 (2) The money paid into the General Fund under this subsection is
2 available in the fiscal year in which the money accumulates in the State Lottery
3 Fund.

4 9-120.2.

5 (A) IN THIS SECTION, "PUBLIC SCHOOL SYSTEM" MEANS THE COLLECTION OF
6 PUBLIC ELEMENTARY AND SECONDARY EDUCATION SCHOOLS UNDER THE CONTROL
7 OF A COUNTY BOARD OF EDUCATION OR THE BOARD OF SCHOOL COMMISSIONERS OF
8 BALTIMORE CITY.

9 (B) THE SHARE OF PROCEEDS IN THE MARYLAND PUBLIC SCHOOL
10 SUPPLEMENTAL CONSTRUCTION AND CAPITAL IMPROVEMENT FUND TO WHICH AN
11 INDIVIDUAL PUBLIC SCHOOL SYSTEM IS ELIGIBLE TO RECEIVE UNDER THE
12 DISTRIBUTION REQUIREMENT UNDER § 9-120(B)(1)(II) OF THIS SUBTITLE SHALL BE
13 PROPORTIONATE TO THE AMOUNT OF SALES OF LOTTERY TICKETS MADE IN EACH
14 JURISDICTION.

15 (C) A PUBLIC SCHOOL SYSTEM SHALL USE THE MONEY DISTRIBUTED UNDER §
16 9-120(B)(1)(II) OF THIS SUBTITLE ONLY FOR SCHOOL CONSTRUCTION PROJECTS OR
17 CAPITAL IMPROVEMENTS THAT ARE APPROVED BY THE INTERAGENCY COMMITTEE
18 ON SCHOOL CONSTRUCTION.

19 (D) A DISTRIBUTION UNDER § 9-120(B)(1)(II) OF THIS SUBTITLE IS INTENDED
20 TO PROVIDE ADDITIONAL REVENUE TO THE PUBLIC SCHOOL SYSTEMS FOR USE AS
21 THE LOCAL MATCHING FUNDS REQUIRED FOR STATE FUNDED PUBLIC SCHOOL
22 CONSTRUCTION PROJECTS AND CAPITAL IMPROVEMENTS AND MAY NOT SUPPLANT
23 ANY OTHER DISTRIBUTION OF LOTTERY PROCEEDS TO PUBLIC SCHOOL SYSTEMS.

24 (E) ON OR BEFORE EACH MARCH 1, THE INTERAGENCY COMMITTEE ON
25 SCHOOL CONSTRUCTION SHALL SUBMIT TO THE HOUSE APPROPRIATIONS
26 COMMITTEE AND THE SENATE BUDGET AND TAXATION COMMITTEE A REPORT ON
27 THE ACTIVITIES DURING THE PREVIOUS FISCAL YEAR OF THE MARYLAND PUBLIC
28 SCHOOL SUPPLEMENTAL CONSTRUCTION AND CAPITAL IMPROVEMENT FUND.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2001.